# ORIGINAL

# Teresa Tenbrink





om: ent: Gordon Cruger <gcruger@cox.net> Sunday, May 03, 2015 12:15 PM

To:

BitterSmith-Web

Cc: Subject: Stump-Web; RBurns-Web; Forese-Web; Little-Web Inputs on SSVEC Docket No. E-01575A-15-0127

Follow Up Flag: Flag Status:

Follow up Completed

Arizona Corporation Commission

DOCKETED

JUL 13 2015

May 3, 2015

Dear Chairman Bitter-Smith and Commissioners.

DOCKETED BY MUB

I am upset about SSVEC's plan set forth in Docket No. E-01575A-15-0127. At my home, this will result in a 75% increase in my monthly electric bill. I am particularly upset that there was never any discussion of cost increases when I purchased the system. At the time, we all went forward with solar in good faith that we were doing something good for the environment and at the same time helping SSVEC meet government mandated quotas. Now we are considered the "bad guys" being subsidized by non-solar users. I put \$10,000 out of pocket into my solar system. I hardly consider that being subsidized.

SSVEC claims that they are pro-solar, but this clearly is not true for residential solar. The fact that SSVEC is atting in solar fields reinforces my long held belief that electric utilities want to get into the solar business and they need to get residential solar users in line with their solar business model. Also, there is some question of whether SSVEC's plan is even legal.

Residential solar customers provide a service which is neither recognized nor rewarded. Our systems obviate the need for capital energy expansion thereby saving SSVEC customers money, yet we are scorned for having it

If this policy is adopted by SSVEC, it will absolutely kill the residential solar business in Cochise County. Aside from killing an industry that is good for the economy and the environment, it also means that existing users will no longer have anyone to maintain their systems. This is a serious threat to all solar users.

I request that Docket No. E-01575A-15-0127 be summarily rejected and any discussion of grandfather deadlines be eliminated so that the solar industry can continue supporting our existing systems.

Respectfully Submitted,

Gordon Cruger 520.803.0853



From:

Thomas Kroger <azkroger@yahoo.com>

Sent:

Friday, May 01, 2015 5:10 PM

To:

BitterSmith-Web

**Subject:** 

Docket Number E-01575A-15-0127

Follow Up Flag:

Follow up

Flag Status:

Completed

#### Dear Chairman Susan Bitter-Smith:

As a very recent investor in solar power generation the recent proposal by SSVEC to change the rules that I understood when I made the decision to invest in solar electricity generation is especially dispiriting. There has never been any mention by SSVEC that the agreements between the power company and solar generators would have to be changed when a certain number of participants was reached. The comments from SSVEC speak of an unfair advantage solar generators have; as if we acquired such capability without any cost to ourselves.

I beseech you to weigh all of the factors with keen attention to the amount of money we have invested in solar generating capability, to the fact that we all need to keep the solar installation business viable to continue growing the amount of power generated by solar and to service existing installations, to decide what the cost to deliver power to anyone is accurately stated and what is already being collected from all users is accounted for and finally to find a "fair" response to the request. Of course, in self interest I would hope that you find that the power company must abide by their previous decisions on the matter and not allow them to change the rules after some have participated but I realize that the power company management may have erred in their previous decisions and the members of the utility need be "rescued" from such errors by management.

Further, I request that this matter be handled by the commission as a "rate case". While I cannot intelligently discuss the fine points differentiating a quick process and a "rate case" what I do understand is that a "rate case" hearing is more complete and all encompassing. I do not see any rational argument as to why it is necessary to quickly decide such an important, convoluted decision. Please take your time and thoroughly consider all possible interests and opinions and set aside any grandfather date being set until a plan is decided upon.

I eagerly await your evaluation, discussion and eventually decision on this weighty matter.

Sincerely,

Thomas E Kroger

om: ent: Frank Pitts <ffjrpitts@aol.com>

Tuesday, April 28, 2015 1:11 PM

To: Subject: BitterSmith-Web Don't Stifle Solar

Follow Up Flag:

Follow up

Flag Status:

Completed

Dear Chairman Bitter Smith,

Utilities shouldn't get special treatment to raise rates for solar. The fair process for discussing solar rates is in a rate case. Solar is the right energy source for Arizona. We need to nurture solar and allow it to grow. A GREEN economy will be profitable for our state as well as healthy for our environment. Solar is good for many. Solar is good of our planet. Solar is good of our children. Solar is good of our nation. With solars many obvious and mammoth benefits why even consider limiting its growth? Please deny APS, Trico, TEP, and SSVEC special treatment at making another money grab. If these giants want to remain in business they need to evolve with healthy technology and compete on a level playing field.

Sincerely,

**Frank Pitts** 

From:

Trace Nuttall <tracenuttall@netzerosolar.net>

Sent:

Wednesday, April 29, 2015 2:09 PM

To:

Trace Nuttall; BitterSmith-Web; RBurns-Web; Stump-Web; Forese-Web; Little-Web

Subject:

Docket Number E-01933A-15-0100

Follow Up Flag: Flag Status:

Follow up Completed

Dear Arizona Corporation Commission,

How is that TEP, SSVEC and Trico Electric companies can effectively create a new net metering policy when ultimately they do not have the power to do such? Is it not the job of you, our elected Commission? What happens when an electric company takes it upon themselves, without commission, and drafts a new net metering policy? This is what happens, solar suffers. That is what is happening now and without swift intervention solar as we know it, will die under your watch. Quality, reputable solar companies will go out of business. More jobs will be lost. Clean energy and our environment will suffer. As I write this email today, we have already laid off two excellent solar technicians from our work force, with more lay-offs and pay cuts to come. It would be one thing if these new policies had been heard by you our Commission and they were found to be accurate. It is a whole other thing when they are simply the "wishes" of a few board members, their vision, their angle, their desire to protect their bottom line. I urge you all, at the very least, to revoke TEP, SSVEC and Trioc's temporary hold on solar installations by use of a grand-father date, and immediately revoke those dates until a hearing of all sides is complete and you, our Commission, have ruled on the issues.

Regards,

Trace Nuttall
Owner/Manager
Net Zero Solar LLC

101. W. 5th St., Tucson, AZ 85705 Phone: (520) 241-0027 . Cell

Fax: (520) 203-7230

Arizona ROC #248710, 259756, 259521 tracenuttall@netzerosolar.net www.NetZeroSolar.net

## **COMMISSIONERS**

SUSAN BITTER SMITH - Chairman BOB STUMP BOB BURNS DOUG LITTLE TOM FORESE

In reference to Docket numbers: E-01461A-15-0057
E-01933A-15-0100
E-01575A-15-0127

My name is Chad Waits. Since 2008 I have owned Net Zero Solar in Tucson, AZ. We are a design and build firm specializing in rooftop and ground mounted solar electric systems. Net Zero Solar has roughly 600 customers in Pima, Pinal, Santa Cruz, Cochise, and Graham counties. Our grid-connected systems are interconnected with the following utilities: Tucson Electric Power (TEP), Sulphur Springs Valley Electric Cooperative (SSVEC), Unisource, and TRICO. I'm writing this email on behalf of our current customers and employees.

The recent proposals in the above referenced docket numbers have created several problems that have made it almost impossible for Net Zero Solar operate our business.

- 1. All 3 proposals insist that there is a cost shift from solar ratepayers to non-solar ratepayers. This may be true, however, we know very well that cost shifts occur in all the rate structures of Arizona utilities, both investor owned utilities, and cooperatives. Customers that use large amounts of energy subsidize customers that use small amounts of energy. Urban customers subsidize rural customers. Snowbirds pay less in fixed costs. And so on...
- 2. All three proposals have "grandfather dates", with SSVEC and TRICO only giving about 48 hours notice to get potential solar customers in under the deadline. This has effectively stopped all sales of solar electric systems for my business in the SSVEC and TRICO service areas. With TEP's June 1st, 2015 "grandfather date" rapidly approaching, it will be only a few weeks before we will have no place to sell our products and services.
- 3. If none of these proposals are heard and decisions made until late in the year, it will put Net Zero Solar out of business and you can add ten people to Arizona's unemployment ranks.

Cost shifts are appropriately addressed in rate cases, as ACC staff has recommended for both TEP and TRICO. This alleged cost shift should be treated no differently. I respectfully ask that the Commissioners immediately order all parties to withdraw, at the very minimum, the "grandfather date" in the proposals and let the free market continue until each case is heard, and more importantly, a carefully considered

decision is made. It seems extremely unfair to the ratepayers and to the solar businesses to now have to wait in limbo while these proceedings play out in lengthy and costly commission hearings.

Thank you.

**Chad Waits** 

Owner - Net Zero Solar

101 W. 5th St., Tucson, AZ 85705

520-207-4053

chadwaits@netzerosolar.net

rom:

Chad Waits <chadwaits@netzerosolar.net>

ent:

Friday, April 17, 2015 3:13 PM

To:

BitterSmith-Web; RBurns-Web; Stump-Web; Forese-Web; Little-Web

Subject:

Letter In reference to Docket numbers: E-01461A-15-0057, E-01933A-15-0100, and

E-01575A-15-0127

Attachments:

BRN30055C38BE29\_001683.pdf

Importance:

High

Follow Up Flag:

Follow up

Flag Status:

Completed

# **COMMISSIONERS**

SUSAN BITTER SMITH - Chairman BOB STUMP BOB BURNS DOUG LITTLE TOM FORESE

In reference to Docket numbers:

-01461A-15-0057

<sup>1</sup>01933A-15-0100

E-01575A-15-0127

My name is Chad Waits. Since 2008 I have owned Net Zero Solar in Tucson, AZ. We are a design and build firm specializing in rooftop and ground mounted solar electric systems. Net Zero Solar has roughly 600 customers in Pima, Pinal, Santa Cruz, Cochise, and Graham counties. Our grid-connected systems are interconnected with the following utilities: Tucson Electric Power (TEP), Sulphur Springs Valley Electric Cooperative (SSVEC), Unisource, and TRICO. I'm writing this email on behalf of our current customers and employees.

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- 2. All three proposals have "grandfather dates", with SSVEC and TRICO only giving about 48 hours notice to get potential solar customers in under the deadline. This has effectively stopped all sales of solar electric systems for my business in the SSVEC and TRICO service areas. With TEP's June 1<sup>st</sup>, 2015 "grandfather date" rapidly approaching, it will be only a few weeks before we will have no place to sell our products and services.

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Thank you.

Chad Waits
President/Owner – Net Zero Solar
101 W. 5th St., Tucson, AZ 85705
Office: 520-207-4053
Cell: 520-270-4873
NABCEP Certified PV Installation Professional
NABCEP Certified Solar Heating Installer



April 25, 2015

Susan Bitter-Smith -Chair Arizona Corporation Commission 1200 W. Washington Phoenix, AZ 85007

Dear Susan Bitter-Smith:

Subject: Docket No. E-01575A-15-0127

SSVEC says they are pro-solar, but this clearly is not true for residential solar.

It would appear in SSVEC's recent net metering proposal that solar customers, as a rate class, are being singled out unfairly. This could be construed as single issue ratemaking, and unconstitutional in Arizona. If this issue is to be fairly resolved, the merits of the utility's assumptions of a cost shift must be heard in a rate case where it can be weighed alongside all other cost shifts inherent in the utility (SSVEC) business model. Only then can evidence and testimony from both sides be presented and discussed in the context of ratemaking, and not a unilateral attack on one rate class.

"The "grandfather date" presented by SSVEC has put a freeze on the solar (free) market and has already hurt AZ solar installers. I would ask that this "grandfather date" be lifted from the proposal and that solar installations can continue under the current net metering rules, as there has been no decision one way or the other on the issue. Lengthy court proceeding only stand to exacerbate the problem moving forward. It is imperative, as a person who owns a solar electric system, that the solar contractor that installed my system stay in business to service any maintenance or warranty issues that may come up. This proposal is making that seem very unlikely.

SSVEC mailed their proposed intention to its members only 2 days before docket submission to the ACC. My overall reaction was one of "class warfare." That is, the "solar haves" versus the "solar have-nots." Via this docket proposal, SSVEC exacerbates this perception by grandfathering the current "solar haves" for 20 years hence.

If this policy is adopted by SSVEC, it will absolutely kill the residential solar business in Cochise County. Aside from killing an industry that is good for the economy and the environment, it also means that existing users will no longer have anyone to maintain their systems.

This docket item should be a rate case. This docket item is a defining moment for the Arizona Corporation Commission and reaches far beyond SSVEC and the other utilities you regulate.

Sincerely,

Dennie B. Gilbert 2618 Tarina Way

Sierra Vista, AZ 85650

om:

philnjill@cox.net

ent:

Tuesday, May 05, 2015 2:44 PM

To:

BitterSmith-Web

Subject:

SSVEC Solar Net Metering Proposal

**Attachments:** 

SSVEC Letter.wps

Please read the attached letter voicing my concerns re: the changes SSVEC has implemented in their solar program.

Thank you,

Jill Vanden Heuvel

520-335-2300 philnjill@cox.net

om:

Ron & Shirley Faulkner <faulknerrh@cox.net>

sent:

Wednesday, May 06, 2015 12:38 PM

To:

BitterSmith-Web

Cc:

RBurns-Web; Stump-Web; Forese-Web; Little-Web

Subject:

FW: Docket number E-01575A-15-0127

Dear ACC Chairperson Bitter-Smith and Commissioners;

I respectfully request the commission reject Docket number E-01575A-15-0127. I received the SSVEC notice just a few days before their published April 15, 2015 date requesting exemption from some of the rules regulating PV systems. There was no prior notification or awareness provided to the membership of their intent to do such of which I am aware. I find this detrimental to relations between management and the co-op members. Transparency in past business

actions with them has always been evident per my experiences. Their action appears to have intentionally discouraged public input and creates an adversarial relationship amongst members - the 98% versus the 2%.

Page one of their notice states residential solar owners are not paying their fair share of costs and are being subsidized by non solar members. SSVEC financial estimates, which have been questioned regarding their accuracy, are presented / illustrated and have the effect of creating a type of confrontational atmosphere between solar and non-solar members. This is counter to when SSVEC actively encouraged residents to invest significant financial resources in this proven, renewable, and abundant Arizona energy resource in agreeing to achieve ACC alternative energy goals. Variable nancial rebates were offered as an incentive to residents to install PV systems with the purposes of supporting the environment, reducing use of fossil fuels, reducing or delaying generational constructional projects and just being a logical way to reduce utility bills. An added benefit is the reduction of power grid utilization during peak use periods which lessens the potential for brownouts or worse.

SSVEC's proposal is an about face in supporting residential solar owners. While professing to support solar production at all levels, they now request to be exempt from certain rules which I believe will adversely affect Arizona's private solar installation / maintenance solar industry, reduce the economically value of residential systems, and discourage increased investment and installation of solar systems which in effect diminishes the maximizing of Arizona's solar energy advantage. This change exudes inferences of a bait and switch position. This attitude incurs a reluctance on non solar members to invest in or even consider the benefits of PV. This is detrimental to encouraging support for all alternative energy sources.

I encourage the ACC to consider SSVEC's request as a rate change hearing versus granting a waiver so as to attain increased public input and continue to render decisions which support increased residential solar net metering systems.

In God We Trust, Ron Faulkner faulknerrh@cox.net 1749 Elmwood Lane Sierra Vista, Az 85635

From:

mh <insv.mark@gmail.com>

Sent:

Wednesday, May 06, 2015 11:36 AM

To:

BitterSmith-Web

Cc:

Stump-Web; RBurns-Web; Forese-Web; Little-Web

Subject:

Docket No. E-01575A-15-0127

Dear Chairman Bitter-Smith and Commissioners,

Why do I feel I'm being punished for doing the right thing. We are trying to do something for the greater good. SSVEC's Proposed Changes to Net Metering should not be passed. Docket Number E-01575A-15-0127. Is the government really for or against conserving energy and natural resources, that is the question. I am beginning to wonder.

We are in our 70's and a solar system was a huge expense from our retirement savings, but we thought it was worth doing. We even wondered if we would live long enough to reach the break even point which is usually 7 to 10 years or more, depending on the size of your system. We took a chance and hopefully we will make it.

As for the people complaining about our solar, go check some of them out. You will find a large portion of them drive larger vehicles like high powered cars or trucks etc. consuming lots of fuel. They keep there houses at 69 degrees in the summer and 75 in the winter. They think its everyone else's job so save natural resources so there will be enough left for them. My mother in law actually told me this once. She said she was old and she deserved it. I couldn't believe she actually said that. She is deceased now so she is no longer part of the problem.

As for us, please check us out. I would bet we have the lowest natural gas consumption of anyone in our neighborhood. The lowest water consumption also. At our own expense we had a gray water system installed to reclaim as much water as we could from what little water we use. This will be really important someday in the future. We don't run the heater that much in winter, we wear sweat shirts at home most of the time. In the summer we keep the air conditioning at 78 and use fans to move the air around which actually works pretty well. Do you get the picture, we care about our environmental footprint as everyone should. We are not extremist, we just try to be responsible. We drive two economical Ford cars, one is a hybrid getting nearly 50mpg. We even bought American cars to help our economy, **WHAT MORE COULD WE DO!!** 

If SSVEC gets their way you can pretty much kiss solar good by for most people in Cochise County. We certainly would not have invested in a system. Solar installers will be going out of business left and right, leaving people who made large investments in solar up the creek without a paddle. Resale or homes with solar systems will be in the toilet, no one will want to buy a home with solar, unsure if they can find anyone qualified to fix them. People with solar systems paid their dues up front, these systems were not cheap. Did I mention, I feel I'm being punished for doing the right thing.

Acc

Regarding Docket Number E-01575A-15-0127, the application of Sulphur Springs Valley Electric Cooperative, Inc. for approval of a new Net Metering Tariff Schedule NM-2 and revisions to the existing Net Metering Tariff Schedule NM.

I belief SSVEC broke our (or will brech) our written contract,

I shought Day were "Solar-friendly".

Hypefully - are can soon get of the girl wist east of getting all shere ghost extra charges & changes — always of our (orlan arrans) Coas.

Patrick & Syran Germel Regarding Docket Number E-01575A-15-0127, the application of Sulphur Springs Valley Electric Cooperative, Inc. for approval of a new Net Metering Tariff Schedule NM-2 and revisions to the existing Net Metering Tariff Schedule NM.

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520-249-5675

# Arizona Corporation Commission

Chairperson Susan Bitter-Smith Arizona Corporation Commission Commissioners Wing 1200 W. Washington - 2nd Floor Phoenix, Arizona 85007

Re: Docket No. E-01575A-15-0127

We write to state our firm opposition to SSVEC's proposed exemption from the current rules governing net metering on the grounds outlined below.

We installed our 24-PV panel rooftop array in March 2014 at an out of pocket cost of over \$20,000 and after two discussions with SSVEC management personnel. During these discussions with SSVEC, the desirability and cost-effectiveness of net metering were fully explained to us. We were convinced by SSVEC that residential solar was an environmentally responsible, cost-effective option that also benefited small business and employment in the State of Arizona. In addition, they explained that by becoming involved in the production of solar energy, we would also be helping SSVEC to reach their solar quota.

At no time was there any hint that the basic structuring of the program would be reviewed or changed in the future! On the contrary, SSVEC was enthusiastic about our participation in the program, and we were assured that residential solar as it was structured was fully supported and endorsed by the Co-operative.

Acting in good faith, we signed the required documentation and entered into a contractual agreement with SSVEC shortly thereafter. Our system went online on March 28, 2014.

In mid April 2015, SSVEC sent out a notification of "proposed" changes to the rules, policies and procedures concerning our net-metering contract. Contrary to what SSVEC's management personnel had discussed with us, and contrary to the assurances we had been given, the notice instituted radical and retroactive changes to SSVEC's net metering rules and policies. This was accomplished without discussion,

forewarning, or public hearings. SSVEC's notice also failed to include a docket # or any details as to what action members opposed to the proposal could take. Furthermore, the notice that went out to residential solar providers did not specify the actual rules or regulations from which SSVEC is requesting exemption.

In fact, SSVEC's "proposal" was not really a bona-fide proposal at all, as SSVEC arbitrarily, unilaterally, and without any consultation or discussion whatsoever instituted the "proposed" changes within days of mailing out the notice.

To retroactively institute a rule change of this magnitude in this way is, if not wholly illegal, then at best unethical, anti-democratic, discriminatory, anti-small business, contrary to the universally recognized principles of honest business practices, and runs contrary to the spirit of any Cooperative Utility democratically constituted and obliged to act in the best interests of all its members. This is no way for a co-operative partnership to act!

We are also opposed to the proposed 20-year grandfather provision, as nothing was told to us regarding any such time-limiting provision when we met with SSVEC before installing our residential system in March 2014. This provision runs contrary to our long-term interests, as it would leave us with an aging, impossible to service on-roof system of ever decreasing value as the grandfather time period decreases. The actions of SSVEC have thus actually decreased my property valuation, and will increasingly do so as time advances.

SSVEC's proposal effectively guts and destroys the residential solar industry in our region of Arizona, and will have a negative impact on employment in the State, and in my own community. With the residential solar industry gutted and destroyed, who will be available to maintain and service residential solar arrays and their component parts? Already, 95 employees of Solar City have been relocated out of the State of Arizona, and more are likely to follow. Many other solar suppliers and installers are in a similar state of disarray. It would appear that SSVEC is attempting to convert solar power generation in our region of Arizona into a monopoly by squeezing out the very homeowners, businesses and innovators that were instrumental in demonstrating the viability and

dependability of solar as an alternative energy source. SSVEC is proving itself to be an extremely poor corporate citizen in this regard.

The SSVEC net metering notice reads, "Today, not everyone is paying their fair share, which is why it is important to discuss this net metering issue." We take exception to this incorrect and misleading statement.

SSVEC seems to have forgotten that while we are indeed producers of electrical energy, we are also very much consumers, and as such are paying the exact same basic service fee as non-solar customers! We are also paying that same residential tariff per kWh delivered as non-solar customers.

SSVEC's attempt at a rate shift in their application begs the question of just who is and who is not, "Paying their fair share". Are residential customers paying their fair share relative to commercial and industrial customers? Are rural customers paying their fair share relative to urban customers? Are part-time Arizona residents paying their fair share?

Our rooftop installation is part and parcel of SSVEC's grid. It was installed and is being maintained at our expense, without costing SSVEC one cent. Under the terms of the contract we signed in good faith in early 2014, and by SSVEC's own reckoning, we entered into the program realistically expecting a 7-10 year payback. If SSVEC's exemptions are granted, we can expect a similar system to ours to have a payback period extending out as far as 30-40 years. The overall R.O.I. is similarly drastically reduced and fatally extended. This effectively destroys any incentive for residential solar in the State of Arizona.

# Therefore, we respectfully request:

- 1. That the ACC refuse to accept the "grandfather provision" in the SSVEC proposal so that solar installations can continue under the current net metering rules as was previously endorsed and agreed to by SSVEC;
- 2. That the ACC consider the proposal that SSVEC has submitted in Docket No.: E-01575A-15-0127 to be unfair

5/11/201534

and discriminatory to the solar customers that have invested a lot of money out of pocket in order to be environmentally responsible citizens making a considerable contribution to the economy and employment of the State of Arizona;

- 3. That the ACC move to turn the SSVEC proposal into a rate case instead of a change in the net metering agreement. If SSVEC cannot cover the costs of doing business under their current rate charges, then, the rates should be raised across their customer base. Two percent of their customers should not be penalized for being environmentally responsible.
- 4. That the ACC expedite their review of Docket No.: E-01575A-15-0127. The fact that SSVEC has already instituted the radical and unfair policies and practices contained in their proposal has already had a negative impact on the residential solar industry in the State of Arizona. This is a clear example of a situation wherein "Justice Delayed" will certainly result in "Justice Denied".

Thank you for your consideration.

Sincerely submitted,

Jim and Kathy Hawthorne

2156 Sandspring Crt.

Sierra Vista, AZ 85650

Chairman Susan Bitter-Smith Arizona Corporation Commission 1200 West Washington Phoenix, Arizona 85007

# Dear Chairman Bitter-Smith:

I am sending this letter to you regarding Docket Number E-0157A-15-0127, the application of Sulphur Springs Valley Electrical Cooperative, Inc. for approval of a new Net Metering Tariff Schedule NM-2 and revisions to the existing Net Metering Tariff Schedule NM.

In January 2012, we purchased a solar voltaic array system for installation on our property in Cochise County, Arizona. We believe that solar power is the way to go for homes in Arizona and it offsets our costs for electricity as well as contributing to a clean environment as well as helping the power company (in our case, it is SSVEC). Thus, we were comfortable in paying the initial outlay costs to purchase the solar equipment and installation from a reputable company from Tucson, Arizona.

Now, SSVEC has recently proposed a revision to the current net metering rules. This proposal will reduce the value of excess generation for new customers, and eventually current customers (like us) by roughly 75% from 12.6cents per kWh to 3 cents per kWh. We hope you will agree that this is obviously a bad situation for solar and non-solar customers as well as the myriad of small, but reputable, solar companies in Arizona. SSVEC alleges that there is a "cost-shift" with solar customers not paying their fair share of grid costs. Additionally, SSVEC is proposing to completely gut net metering, compensating solar customers only the wholesale rate for energy they send back to SSVEC. We believe that this is an ill-considered change in policy, since it does not consider the overall goals of SSVEC's ratepayers, both solar and non-solar. Moreover, if this policy were to be approved, it will no doubt discourage additional non -solar customers throughout the state from considering solar power in their homes. This inevitably will cause small solar companies to reduce their number of employees and, at worst, go out of business.

You should realize that a cost shift is <u>not</u> unfair by default; SSVEC's rates already include a number of cost-shifts due to their rate design, wherein customers pay less or more than their fair share of grid costs. Some examples are customers who leave town for much of the year, customers with very low or very high energy use, and urban versus rural customers (like us).

One more thing, I vote.

ry truly yours,

Mark Hanna